

CERTIFIED MAIL RETURN RECEIPT REQUESTED

Maximilian Halm

MAY 2 7 2016

La Salle, IL 61301

RE: MUR 6804

Dear Mr. Halm:

On May 26, 2016, the Federal Election Commission reviewed the allegations in the complaint you filed on April 4, 2014, and found that on the basis of the information provided in the complaint, and information provided by the respondents, there is no reason to believe that the Committee to Elect Randall Olsen and Randall Olsen in his official capacity as treasurer ("Committee") violated 52 U.S.C. §§ 30103 and 30104(a). Also on this date, the Commission found no reason to believe that Randall W. Olsen or North Park Prescription Pharmacy, Inc. violated the Federal Election Campaign Act of 1971, as amended ("Act"), and Commission regulations. Finally, the Commission decided to dismiss the allegation that the Committee violated 52 U.S.C. § 30120(a)(1). Accordingly, the Commission closed the file in this matter on May 26, 2016.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). The Factual and Legal Analyses, which more fully explain the Commission's findings, are enclosed.

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The Act allows a complainant to seek judicial review of the Commission's dismissal of this action. See 52 U.S.C. § 30109(a)(8).

Sincerely,

Daniel A. Petalas

Acting General Counsel

BY:

Jeff S. Jordan

Assistant General Counsel Complaints Examination and

Legal Administration

Enclosures

Factual and Legal Analyses

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

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3 4 5 6	RESPONDENTS:	Randall W. Olsen Committee to Elect Randall Olsen and Randall Olsen as treasurer	MUR. 6804
7 8	I. INTRODU	CTION	
9	This matter	was generated by a Complaint filed by	Maximilian Halm ("Complainant") on
10	April 4, 2014, alleg	ing violations of the Federal Election (Campaign Act of 1971, as amended
11	(the "Act") and Cor	mmission regulations by Respondents I	Randall W. Olsen and the Committee
12	to Elect Randall Ols	sen and Randall Olsen in his official ca	pacity as treasurer (collectively the
13	"Committee"). It w	as scored as a relatively low-rated mat	ter under the Enforcement Priority
14	System, a system by	y which the Commission uses formal s	coring criteria as a basis to allocate its

II. FACTUAL AND LEGAL ANALYSIS.

resources and decide which matters to pursue.

According to the Complainant, Olsen² announced his candidacy for Congress on August 16, 2013, filed his Statement of Candidacy with the Commission on September 3, 2013,³ and "actively campaigned" for office thereafter. Compl. at 1. Specifically, the Complainant alleges that Olsen held four fundraisers in early 2014 and that the Committee made expenditures for travel, campaign materials including yard signs and flyers, advertising space on North Park

According to the Committee's amended Statement of Organization, filed on April 27, 2015, Randall Olsen replaced Patricia Jo-Alva Olsen as treasurer. Patricia Jo-Alva Olsen was the Committee's treasurer during the time period covered in this Report.

Olsen was a 2014 candidate for Congress from Illinois's 16th Congressional District. He was defeated in the general election.

On the same date, Olsen filed a Statement of Organization designating the Committee as his principal campaign committee.

Dismissal and Case Closure – MUR 6804 Factual and Legal Analysis for Committee to Elect Randall Olsen, et al. Page 2 of 4

- 1 Pharmacy prescription bags, and a campaign website. Id. at 1-2. As a result, the Complainant
- 2 asserts that Olsen "credibly aggregated \$5,000.00 in campaign contributions" and in "campaign
- 3 expenditures." Id. at 2.4 The Complainant asserts, however, that the Committee failed to file
- 4 required financial disclosure reports, including the 2013 October Quarterly Report, 2013 Year
- 5 End Report, and 2014 Pre-Primary Report, in violation of the Act and Commission regulations.
- 6 *ld*.
- 7 The Complainant also states that the Committee produced yard signs and flyers that failed
- 8 to include disclaimers in preprinted boxes, in violation of 11 C.F.R. § 110.11(c)(2)(ii). Id.
- 9 Similarly, the Complainant alleges that the Committee purchased advertising space on North
- 10 Park Pharmacy prescription bags that lacked disclaimers. Id. Alternatively, to the extent that the
- 11 Committee did not pay for its advertisements on the prescription bags, the Complaint alleges that
- 12 the Committee failed to report the advertising space as an in-kind contribution from North Park
- 13 Pharmacy. Id.
- The Committee responds that the Olsen campaign "had not reached the \$5,000 limit" at
- 15 the time the Complaint was filed, and asserts that its 2014 April Quarterly Report had been
- prepared and timely submitted to the Commission. Committee Resp. at 1. The Committee also
- states that the costs of building its website, which was being constructed by a campaign
- volunteer, were "about \$60" and would be reported as an in-kind contribution. *Id.* In addressing

It should be noted that 11 C.F.R. § 100.3(a)(1) requires that the individual seeking nomination or election receive or expend "in excess of \$5,000."

The Committee refers to the \$5,000 limit set forth in "IRS form 8872." The Internal Revenue Service's Form 8872 pertains to certain organizations that are exempt from taxation under section 527 of the IRS code. As this is not an FEC filing, the Commission does not address the issue further.

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Dismissal and Case Closure – MUR 6804 Factual and Legal Analysis for Committee to Elect Randall Olsen, et al. Page 3 of 4

the alleged disclaimer violations, the Committee observed that one of the handouts was printed 2 before Olsen announced his candidacy. Id. As for the lawn signs, the Committee charges that 3 some images attached to the Complaint were intentionally cropped so as to give the appearance 4 of missing a disclaimer where there was, in fact, a disclaimer. Id. at 2. Specifically, candidate 5 Olsen states that "I have 300 of them and every single one of them has the disclaimer in a box in 6 the lower right corner." Id. 7 However, the Committee concedes that the campaign advertisements on the pharmacy 8 bags, which the Committee had paid for, lacked a disclaimer, but adds that it subsequently 9 ordered a stamp, which it will use to affix a disclaimer in the future. Id. at 2. Likewise, the 10 Committee acknowledges that it failed to include an appropriate disclaimer on a flyer, notifying 11 citizens of four scheduled fundraisers, and on a second handout. Id. at 1-2. The Committee 12 represents that it has taken steps to remedy these violations, including purchasing a stamp 13 bearing a disclaimer for the pharmacy bags and disclaimer labels for the handouts. Id. at 2. 14 Under Commission regulations, an individual does not become a candidate solely by 15 voluntarily registering and reporting. See 11 C.F.R. § 104.1(b). Rather, an individual becomes a 16 candidate when he or she receives more than \$5,000 in contributions or makes more than \$5,000 17 in expenditures. 52 U.S.C. § 30101(2)(A); see also 11 C.F.R. § 100.3. An individual's principal 1.8 campaign committee becomes a political committee, and is thus required to file reports, when 19 that individual becomes a candidate pursuant to 11 C.F.R. § 100.3. See 52 U.S.C. §§ 30103(a), 20 30104(a); see also 11 C.F.R. §§ 100.5(d); 104.1(a), (b); 104.5(a). Public communications that 21 are authorized and paid for by a candidate's political committee must contain appropriate

disclaimers. 52 U.S.C. § 30120(a)(1); see also 11 C.F.R. §§ 110.11(a)(1), (b)(1). Under the Act,

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- a "public communication" includes an "outdoor advertising facility" and "any other form of
- 2 general public political advertising." 52 U.S.C. § 30101(22); see also 11 C.F.R. § 100.26. Such
- 3 communications, if printed, are required to include a written disclaimer that is included in a
- 4 printed box, stating that the committee paid for the communications in question. 52 U.S.C.
- 5 § 30120(c); see also 11 C.F.R. § 110.11(c).
- In this case, the Committee's 2014 April Quarterly Report discloses contributions,
- 7 including candidate loans, 6 of \$5,361, and the Committee received \$1,733.60 of that amount
- 8 between January 1, 2014 through March 31, 2014. Thus, Olsen did not become a candidate
- 9 under the Act until sometime during that period, therefore, the Committee's 2014 April
- 10 Quarterly Report was the first report his principal campaign committee was required to file.
- 11 Accordingly, the Commission finds no reason to believe that the Committee failed to timely
- 12 register and report.
- 13 Although the Committee admits to failing to include disclaimers on some of its public
- 14 communications, it appears that it took prompt remedial action. Accordingly, the Commission
- exercises its prosecutorial discretion and dismisses the disclaimer allegations against the
- 16 Committee to Elect Randall Olsen and Randall Olsen in his official capacity as treasurer,
- 17 pursuant to Heckler v. Chaney, 470 U.S. 821 (1985). The Commission also makes no reason to
- 18 believe findings as to Randall W. Olsen, as there is no indication that he violated the Act and
- 19 Commission regulations in this matter.

Under the Act, the term "contribution" includes a "loan . . . made by any person for the purpose of influencing any election for Federal office." 52 U.S.C. § 30101(8)(A).

According to its Report, the Committee expended only about \$4,597 during the campaign to date.

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS	
RESPONDENT: North Park Prescription Pharmacy, Inc.	MUR 6804

I. INTRODUCTION

This matter was generated by a Complaint filed by Maximilian Halm ("Complainant") on April 4, 2014, alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act") and Commission regulations by Respondent North Park Prescription Pharmacy, Inc. ("North Park Pharmacy"). It was scored as a relatively low-rated matter under the Enforcement

12 Priority System, a system by which the Commission uses formal scoring criteria as a basis to

13 allocate its resources and decide which matters to pursue.

II. FACTUAL AND LEGAL ANALYSIS

According to the Complainant, Olsen¹ announced his candidacy for Congress on August 16, 2013, filed his Statement of Candidacy with the Commission on September 3, 2013, and "actively campaigned" for office thereafter. Compl. at 1. Specifically, the Complainant alleges that Olsen held four fundraisers in early 2014 and that the Committee made expenditures for travel, campaign materials including yard signs and flyers, advertising space on North Park Pharmacy prescription bags, and a campaign website. *Id.* at 1-2.

Similarly, the Complainant alleges that the Committee purchased advertising space on North Park Pharmacy prescription bags that lacked disclaimers. *Id.* Alternatively, to the extent that the Committee did not pay for its advertisements on the prescription bags, the Complaint

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Factual and Legal Analysis for North Park Pha	ırmacy
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- 1 alleges that the Committee failed to report the advertising space as an in-kind contribution from
- 2 North Park Pharmacy. Id.
- North Park Pharmacy states in its Response that the pharmacy bags were provided, at no
- 4 charge, by a separate entity—Rx Express Marketing—and that it had "removed from circulation"
- 5 all of the bags in question and instructed Rx Express Marketing to destroy all bags that remained.
- 6 North Park Pharmacy Resp. at 1. North Park Pharmacy denies any affiliation with "any of the
- 7 advertisers (on the bags) including Randall Olson (sic)." Id.
- Public communications that are authorized and paid for by a candidate's political
- 9 committee must contain appropriate disclaimers. 52 U.S.C. § 30120(a)(1); see also 11 C.F.R.
- 10 §§ 110.11(a)(1), (b)(1). Under the Act, a "public communication" includes an "outdoor
- advertising facility" and "any other form of general public political advertising." 52 U.S.C.
- 12 § 30101(22); see also 11 C.F.R. § 100.26. Such communications, if printed, are required to
- include a written disclaimer that is included in a printed box, stating that the committee paid for
- the communications in question, 52 U.S.C. § 30120(c); see also 11 C.F.R. § 110.11(c).
- The Committee admits to failing to include disclaimers on some of its public
- 16 communications. Accordingly, the Commission finds no reason to believe that North Park
- 17 Prescription Pharmacy, Inc. violated the Act and Commission regulations.